

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY GUARANTEE

Company Number 1444058
Charity Number 509133
Incorporated 15 AUGUST 1979

ARTICLES OF ASSOCIATION OF
TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED

The Companies Act 2006

Company Limited by Guarantee

**ARTICLE OF ASSOCIATION OF
TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED**

1. Name

The name of the **Charity** is Tyne and Wear Building Preservation Trust Limited.

2. Registered Office

The registered office of the Charity is to be in England.

3. Objects

The **Object** for which the Charity is established is as follows:

- 1) To preserve for the benefit of the public generally and especially for the inhabitants of the county of Tyne and Wear, buildings (including artefacts and land) which are of especial historic or architectural or townscape interest.
- 2) The promotion for the benefit of the public of urban or rural regeneration in areas of social and economic deprivation (and in particular in the county of Tyne and Wear) including by:
 - a) The provision of housing for those who are in conditions of need and the improvement of housing in the public sector or in charitable ownership provided that such power shall not extend to relieving any local authorities or other bodies of a statutory duty to provide or improve housing;
 - b) The maintenance, improvement or provision of public amenities;
 - c) The creation of training and employment opportunities by the provision of workspace, buildings and/or land for use on favourable terms.
- 3) The promotion of the effective use of resources for charitable purposes by charitable and non-charitable bodies for the benefit of the public by the provision of workspace, buildings and/or land for use on favourable terms.

4. Powers

The Charity has the following powers, which may be exercised only in promoting the Objects:

- 4.1. to promote or carry out research.
- 4.2. to provide advice.
- 4.3. to publish or distribute information.
- 4.4. to co-operate with other bodies.
- 4.5. to support, administer or set up other charities.

- 4.6. to raise funds (but not by means of **taxable trading**).
- 4.7. to borrow money and give security for loans (but only in accordance with the restrictions imposed by the **Charities Act**).
- 4.8. to acquire or hire property of any kind.
- 4.9. to let or dispose of property of any kind (but only in accordance with the restrictions imposed by the Charities Act).
- 4.10. to make grants or loans of money and to give guarantees.
- 4.11. to set aside funds for special purposes or as reserves against future expenditure.
- 4.12. to deposit or invest in funds in any manner (but to invest only after obtaining such advice from a **financial expert** as the Trustees consider necessary and having regard to the suitability of investments and the need for diversification).
- 4.13. to delegate the management of investments to a financial expert, but only on terms that:
 - 4.13.1. the investment policy is set down **in writing** for the financial expert by the Trustees;
 - 4.13.2. every transaction is reported promptly to the Trustees;
 - 4.13.3. the performance of the investments is reviewed regularly with the Trustees;
 - 4.13.4. the Trustees are entitled to cancel the delegation arrangement at any time;
 - 4.13.5. the investment policy and the delegation arrangement are reviewed at least once a **year**;
 - 4.13.6. all payments due to the financial expert are on a scale or at a level which is agreed in advance and are notified promptly to the Trustees on receipt; and
 - 4.13.7. the financial expert must not do anything outside the powers of the Trustees.
- 4.14. to arrange for investments or other property of the Charity to be held in the name of a **nominee company** acting under the control of the Trustees or of a financial expert acting under their instructions, and to pay any reasonable fee required.
- 4.15. to deposit documents and physical assets with any company registered or having a place of business in England and Wales as **custodian**, and to pay any reasonable fee required.

- 4.16. to insure the property of the Charity against any foreseeable risk and take out other insurance policies to protect the Charity when required.
- 4.17. to pay for **indemnity insurance** for the Trustees.
- 4.18. subject to Article 5, to employ paid or unpaid agents, staff or advisers.
- 4.19. to enter into contracts to provide services to or on behalf of other bodies.
- 4.20. to establish or acquire subsidiary companies to assist or act as agents for the Charity.
- 4.21. To acquire or merge with any other charity the objects of which are the same as or similar to the Objects whether by way of the acquisition of assets or otherwise.
- 4.22. to pay the costs of forming the Charity.
- 4.23. to do anything else within the law which promotes or helps to promote the Objects.

5. Benefits to Members and Trustees

- 5.1. The property and funds of the Charity must be used only for promoting the Objects and do not belong to the **Members** but:
 - 5.1.1. Members who are not Trustees may be employed by or enter into contracts with the Charity and receive reasonable payment for goods or services supplied;
 - 5.1.2. Members (including Trustees) may be paid interest at a reasonable rate on money lent to the Charity;
 - 5.1.3. Members (including Trustees) may be paid a reasonable rent or hiring fee for property or equipment let or hired to the Charity; and
 - 5.1.4. Individual Members (including Trustees) who are also beneficiaries may receive charitable benefits in that capacity provided that a majority of the Trustees do not benefit in this way.
- 5.2. A Trustee must not receive any payment of money or other **material benefit** (whether directly or indirectly) from the Charity except:
 - 5.2.1. as mentioned in Articles 4.17 (indemnity insurance), 5.1.2 (interest), 5.1.3 (rent), 5.1.4 (charitable benefits) or 5.4 (contractual payments);
 - 5.2.2. reimbursement of reasonable out-of-pocket expenses (including hotel and travel costs) actually incurred in the administration of the Charity;
 - 5.2.3. an indemnity in respect of any liabilities properly incurred in running the Charity (including the costs of a successful defence to criminal proceedings);

- 5.2.4. payment to any company in which a Trustee has no more than a 1 per cent shareholding; and
- 5.2.5. in exceptional cases, other payments or benefits (but only with the written approval of the Commission in advance).
- 5.3. A **connected person** must not receive any payment of money or other material benefit (whether directly or indirectly) from the Charity except:
 - 5.3.1. as mentioned in Articles 5.1.2 (interest), 5.1.3 (rent), 5.1.4 (charitable benefits) or 5.4 (contractual payments);
 - 5.3.2. payment to any company in which a connected person has no more than a 1 per cent shareholding; and
 - 5.3.3. in exceptional cases, other payments or benefits (but only with the written approval of the Commission in advance).
- 5.4. A Trustee may not be an employee of the Charity, but a Trustee or a **connected person** may enter into a contract with the Charity to supply goods or services in return for a payment or other material benefit if:
 - 5.4.1. the goods or services are actually required by the Charity;
 - 5.4.2. the nature and level of the benefit is no more than reasonable in relation to the value of the goods or services and is set at a meeting of the Trustees in accordance with the procedure in this Article 5.4 and Article 6; and
 - 5.4.3. no more than half of the Trustees are interested in such a contract in any **financial year**; and
 - 5.4.4. the Charity enters into a written contract with the relevant Trustee or connected person setting out the amount or maximum amount of remuneration to be paid under the contract.
- 5.5. This Article 5 may not be amended without the written consent of the Commission in advance.

6. Conflicts of Interest and Conflicts of Loyalty

- 6.1. Whenever a Trustee has a personal interest in a matter to be discussed at a meeting of the Trustees or a committee, the unconflicted Trustees may authorise such a conflict of interest where the following conditions apply:
 - 6.1.1. the conflicted Trustee declares an interest before the meeting or at the meeting before discussion begins on the matter; and
 - 6.1.2. the conflicted Trustee is absent from the meeting for that item unless expressly invited to remain in order to provide information; and

- 6.1.3. the conflicted Trustee is not to be counted in the quorum for that part of the meeting; and
 - 6.1.4. the conflicted Trustee is absent during the vote and has no vote on the matter; and
 - 6.1.5. the unconflicted Trustees consider it is in the interest of the Charity to authorise the conflict of interest in the circumstances applying.
- 6.2. If a conflict of interest arises for a Trustee because of a duty of loyalty owed to another organisation or person and the conflict is not authorised by virtue of any other provision in the Articles, the unconflicted Trustees may authorise such a conflict of interest where the following conditions apply:
- 6.2.1. the conflicted Trustee declares an interest before the meeting or at the meeting before discussion begins on the matter; and
 - 6.2.2. the conflicted Trustee is absent from the meeting for that item unless expressly invited to remain in order to provide information; and
 - 6.2.3. the conflicted Trustee is not counted in quorum for that part of the meeting; and
 - 6.2.4. the conflicted Trustee is absent during the vote and has no vote on the matter; and
 - 6.2.5. the unconflicted Trustees consider it is in the interests of the Charity to authorise the conflict of interest in the circumstances applying.

7. Limited Liability

The liability of Members is limited.

8. Guarantee

Every Member promises, if the Charity is dissolved while he she or it remains a Member or within 12 months afterwards, to pay up to £1 towards the costs of dissolution and the liabilities incurred by the Charity while he or she was a Member.

9. Dissolution

- 9.1. If the Charity is dissolved, the assets (if any) remaining after provision has been made for all its liabilities must be applied in one or more of the following ways:
- 9.1.1. by transfer to 1 or more other bodies established for exclusively charitable purposes with, the same as or similar to the Objects;
 - 9.1.2. directly for the Objects or for charitable purposes which are within or similar to the Objects; or
 - 9.1.3. in such other manner consistent with charitable status as the Commission shall approve in writing in advance.

9.2. A final report and statement of account must be sent to the Commission.

10. Membership

10.1. The Charity must maintain a register of Members.

10.2. **Membership** of the Charity is open to any individual or organisation interested in promoting the Objects who:

10.2.1. applies to the Charity in the form required by the **Trustees**;

10.2.2. is approved by the Trustees; and

10.2.3. signs the register of Members or consents **in writing** to become a Member either personally or (in the case of an organisation) through an **authorised representative**.

10.3. The Trustees may refuse to admit as a Member any individual or organisation if, acting reasonably and properly, they consider it to be in the best interests of the Charity to refuse the application.

10.4. The Trustees may establish different classes of membership (including **informal membership**), prescribe their respective privileges and duties and set the amounts of any subscriptions.

10.5. Membership is terminated if the Member concerned:

10.5.1. gives written notice of resignation to the Charity;

10.5.2. dies or (in the case of an organisation) ceases to exist;

10.5.3. is more than 6 months in arrears in paying the relevant subscription, if any (but in such a case the Member may be reinstated on payment of the amount due); or

10.5.4. is removed from membership by resolution of the Trustees on the ground that in their reasonable opinion the Member's continued membership is harmful to the Charity. The Trustees may only pass such a resolution after notifying the Member in writing and considering the matter in the light of any written representations which the Member concerned puts forward within 14 **clear days** after receiving notice.

10.6. Membership of the Charity is not transferable.

11. General Meetings

11.1. General meetings are the meetings of the Members, consisting of the AGM and the special general meetings (if any).

- 11.2. A general meeting may be held either in person or by suitable electronic means agreed by the Trustees in which all participants may communicate with all the other participants.
- 11.3. Members are entitled to attend general meetings either personally or (in the case of a Member organisation) by an authorised representative or by proxy. Proxy forms must be delivered to the **Secretary** at least 24 hours before the meeting.
- 11.4. There is a quorum at a general meeting if the number of Members or authorised representatives present in person or by proxy is at least 3.
- 11.5. The **Chair** or (if the Chair is unable or unwilling to do so) some other Member elected by those present presides at a general meeting.
- 11.6. Except where otherwise provided by the **Articles** or the **Companies Act**, every issue is decided by a majority of the votes cast.
- 11.7. Every Member present in person or through an authorised representative or by proxy has 1 vote on each issue. In the case of an equality of votes, whether on a show of hands or on a poll, the Chair of the meeting shall be entitled to a second or casting vote
- 11.8. Where a written resolution is approved by the appropriate majority required for the resolution in question of those entitled to vote at a general meeting, or where approval of the resolutions is given electronically by the appropriate majority of those entitled to vote at a general meeting, then that resolution shall be as valid as a resolution actually passed at a general meeting. For this purpose a written resolution may be:
 - 11.8.1. set out in more than 1 document (in which case it will be treated as passed on the date of the last signature); or
 - 11.8.2. sent out and/or returned in hard copy or electronic format (and if sent back electronically, then the resolution will be treated as passed at the time and on the date of the last response to be received).
- 11.9. The Charity must hold an **AGM** in every year.
- 11.10. At an AGM the Members:
 - 11.10.1. receive the accounts of the Charity for the previous **financial year**;
 - 11.10.2. receive the Trustees' report on the Charity's activities since the previous AGM;
 - 11.10.3. accept the retirement of those Trustees who wish to retire or who are retiring by rotation;
 - 11.10.4. elect Trustees to fill the vacancies arising under Article 13.6;
 - 11.10.5. appoint auditors for the Charity;

- 11.10.6. may confer on any individual (with his or her consent) the honorary title of Patron, President or Vice-President of the Charity; and
- 11.10.7. may discuss and determine any issues of policy or deal with any other business put before them by the Trustees.
- 11.11. Any general meeting which is not an AGM is a special general meeting.
- 11.12. A special general meeting may be called at any time by the Trustees and must be called on a written request from at least 5% of the Members.
- 11.13. The Members may adopt rules relating to the circulation of agendas or notices of resolutions, the conduct of meetings and the circulation of resolutions consistent with the Companies Act as they think fit.

12. Notice of General Meetings

- 12.1. Any general meeting must be called on at least 14 and not more than 28 clear days' written notice indicating the business to be discussed, and if a special resolution is to be proposed, at least 28 clear days' written notice setting out the terms of the proposed special resolution.
- 12.2. A general meeting may be called on shorter notice if it is so agreed by all Members entitled to attend and vote.
- 12.3. If the general meeting is to be an AGM, the notice must say so.
- 12.4. The notice must be given to all Members.

13. The Trustees

- 13.1. The Trustees as **charity trustees** have control of the Charity and its property and funds.
- 13.2. The Trustees when complete consist of at least 3 and not more than 20 individuals, all of whom must be Members.
- 13.3. A technical defect in the appointment of a Trustee of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting.
- 13.4. Every Trustee must sign a declaration of willingness to act as a charity trustee of the Charity before he or she may vote at any meeting of the Trustees.
- 13.5. One-third (or the number nearest one-third) of the Trustees must retire at each AGM, those longest in office retiring first and the choice between any of equal service being made by drawing lots.
- 13.6. A retiring Trustee who remains qualified may be re-elected.
- 13.7. A Trustee's term of office automatically terminates if he or she:
 - 13.7.1. is disqualified under the Charities Act from acting as a charity trustee;

- 13.7.2. is the subject of a decision by HMRC that they are not a fit and proper person as that term is defined by the Finance Act 2010;
 - 13.7.3. is incapable, whether mentally or physically, of managing his or her own affairs;
 - 13.7.4. is absent from four consecutive meetings of the Trustees and is asked by a majority of the other Trustees to resign;
 - 13.7.5. ceases to be a Member (but such a person may be reinstated by resolution passed by all the other Trustees on resuming membership of the Charity before the next AGM);
 - 13.7.6. resigns by written notice to the Trustees (but only if at least two Trustees will remain in office); or
 - 13.7.7. is removed by resolution of the Members present and voting at a general meeting after the meeting has invited the views of the Trustee concerned and considered the matter in the light of any such views.
- 13.8. The Trustees may at any time co-opt any individual who is qualified to be appointed as a Trustee to fill a vacancy in their number or as an additional Trustee, but a co-opted Trustee holds office only until the next AGM.
 - 13.9. The Trustees may at any time co-opt any individual to act as an advisor to the Trustees. A co-opted adviser shall be invited to attend meetings of the Trustees as an observer to advise the Trustees but shall have no voting rights on the issues to be determined by the Trustees.

14. Trustees' proceedings

- 14.1. A quorum at a meeting of the Trustees is 3 Trustees.
- 14.2. A meeting of the Trustees may be held either in person or by suitable electronic means agreed by the Trustees in which all participants may communicate with all the other participants.
- 14.3. The Chair or (if the Chair is unable or unwilling to do so) some other Trustee chosen by the Trustees present presides at each meeting.
- 14.4. Every issue may be determined by a simple majority of the votes cast at a meeting, but a written resolution signed by all the Trustees is as valid as a resolution passed at a meeting. For this purpose, the resolution may be contained in more than 1 document and will be treated as passed on the date of the last signature.
- 14.5. Except for the chair of the meeting, who has a second or casting vote, every Trustee has 1 vote on each issue.
- 14.6. A procedural defect of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting.

14.7. The Trustees may adopt rules relating to the circulation of agendas or notices of resolutions, the conduct of meetings, and the circulation of resolutions for confirmation as they think fit which shall apply until revoked or amended by resolution of the Trustees.

14.8. In any event, the Trustees shall:

14.8.1. report on their meetings to the Members, either at the next general meeting of the Members or if no general meeting is to take place within the next 8 weeks, by way of a written report; and

14.8.2. not reach any decision on Special Matters without complying with the rules relating to Special Matters adopted in accordance with Article 10.12.

15. Trustees' powers

The Trustees have the following powers in the administration of the Charity:

15.1. to appoint (and remove) any Member (who may be a Trustee) to act as Secretary in accordance with the Companies Act;

15.2. to appoint a Chair, Treasurer and other honorary officers from among their number;

15.3. to delegate any of their functions to committees consisting of 2 or more individuals appointed by them. At least 1 member of every committee must be a Trustee and all proceedings of committees must be reported promptly to the Trustees;

15.4. to make standing orders consistent with the Articles and the Companies Act to govern proceedings at general meetings and to prescribe a form of proxy;

15.5. to make rules consistent with the Articles and the Companies Act to govern their proceedings and proceedings of committees;

15.6. to make regulations consistent with the Articles and the Companies Act to govern the administration of the Charity and the use of its seal (if any);

15.7. to establish procedures to assist the resolution of disputes or differences within the Charity; and

15.8. to exercise any powers of the Charity which are not reserved to a general meeting.

16. Records and Accounts

16.1. The Trustees must comply with the requirements of the Companies Act and of the Charities Act as to keeping financial records, the audit of accounts and the preparation and transmission to the Registrar of Companies and the **Commission** of:

- 16.1.1. annual returns;
 - 16.1.2. annual reports; and
 - 16.1.3. annual statements of account.
- 16.2. The Trustees must keep proper records of:
- 16.2.1. all proceedings at general meetings;
 - 16.2.2. all proceedings at meetings of the Trustees;
 - 16.2.3. all reports of committees; and
 - 16.2.4. all professional advice obtained.
- 16.3. Accounting records relating to the Charity must be made available for inspection by any Trustee or Member at any time during normal office hours
- 16.4. A copy of the Charity's latest available statement of account must be supplied on request to any Trustee or Member. A copy must also be supplied, within 2 months, to any other person who makes a written request and pays the Charity's reasonable costs.
17. Notices
- 17.1. Notices under the Articles may be sent by hand, by post or by suitable electronic means or (where applicable to Members generally) may be published in any suitable journal or national newspaper or any journal distributed by the Charity.
- 17.2. The only address at which a Member is entitled to receive notices sent by post is an address in the UK shown in the register of Members.
- 17.3. Any notice given in accordance with these Articles is to be treated for all purposes as having been received:
- 17.3.1. 24 hours after being sent by electronic means or delivered by hand to the relevant address;
 - 17.3.2. 2 clear days after being sent by first class post to that address;
 - 17.3.3. 3 clear days after being sent by second class or overseas post to that address;
 - 17.3.4. on the date of publication of a newspaper containing the notice;
 - 17.3.5. on being handed to the Member (or, in the case of a Member organisation, its authorised representative) personally; or, if earlier,
 - 17.3.6. as soon as the Member acknowledges actual receipt.

- 17.4. A technical defect in the giving of notice of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting.

18. Means of Communication

- 18.1. Subject to the Articles, anything sent or supplied by or to the Charity under the Articles may be sent or supplied in any way in which the Companies Act provides for documents or information which are authorised or required by any provision of the Companies Act to be sent or supplied by or to the Charity.
- 18.2. Subject to the Articles, any notice or document to be sent or supplied to a Trustee in connection with the taking of decisions by Trustees may also be sent or supplied by the means by which that Trustee has asked to be sent or supplied with such notices or documents for the time being.

19. Disputes

If a dispute arises between the Members about the validity or propriety of anything done by the Members under the Articles, and the dispute cannot be resolved by agreement, the parties to the dispute must first try in good faith to settle the dispute by mediation before resorting to litigation.

20. Interpretation

- 20.1. In the Articles, unless the context indicates another meaning:

‘**AGM**’ means an annual general meeting of the Charity;

‘the **Articles**’ means the Charity’s articles of association;

‘**authorised representative**’ means an individual who is authorised by a Member organisation to act on its behalf at meetings of the Charity and whose name is given to the Secretary;

‘**Chair**’ means the chair of the Trustees or the Members (as appropriate);

‘the **Charity**’ means the company governed by the Articles;

‘the **Charities Act**’ means (as applicable) the Charities Act 1993, the Charities Act 2006 and the Charities Act 2011;

‘**charity trustee**’ has the meaning prescribed by section 97(1) of the Charities Act;

‘**clear day**’ means 24 hours from midnight following the relevant event;

‘the **Commission**’ means the Charity Commissioners for England and Wales;

‘the **Companies Act**’ means the Companies Act 2006;

‘**connected person**’ means any spouse, partner, parent, child, brother, sister, grandparent or grandchild of a Trustee, any **firm** of which a Trustee is a member

or employee, and any company of which a Trustee is a director, employee or shareholder having a beneficial interest in more than 1 per cent of the share capital;

‘custodian’ means a person or body who undertakes safe custody of assets or of documents or records relating to them;

‘financial expert’ means an individual, company or firm who is authorised to give investment advice under the Financial Services and Markets Act 2000;

‘financial year’ means the Charity’s financial year;

‘firm’ includes a limited liability partnership;

‘indemnity insurance’ means insurance against personal liability incurred by any Trustee for an act or omission which is or is alleged to be a breach of trust or breach of duty, unless the Trustee concerned knew that, or was reckless whether, the act or omission was a breach of trust or breach of duty;

‘informal membership’ refers to a supporter who may be called a ‘member’ but is not a company Member of the Charity;

‘material benefit’ means a benefit which may not be financial but has a monetary value;

‘Member’ and **‘membership’** refer to company membership of the Charity;

‘Memorandum’ means the Charity’s Memorandum of Association;

‘month’ means calendar month;

‘nominee company’ means a corporate body registered or having an established place of business in England and Wales;

‘the Objects’ means the Objects of the Charity as defined in Article 3;

‘Secretary’ means the company secretary of the Charity;

‘taxable trading’ means carrying on a trade or business for the principal purpose of raising funds and not for the purpose of actually carrying out the Objects, the profits of which are subject to corporation tax;

‘term of office’ means 3 years;

‘Trustee’ means a director of the Charity and **‘Trustees’** means the directors.

‘written’ or **‘in writing’** refers to a legible document on paper; and

‘year’ means calendar year.

20.2. Expressions defined in the Companies Act have the same meaning.

- 20.3. References to an Act of Parliament are to that Act as amended or re-enacted from time to time and to any subordinate legislation made under it.